United Nations A/HRC/35/26

General Assembly

Distr.: General
22 March 2017

Original: English

Human Rights Council
Thirty-fifth session
6-23 June 2017
Agenda item 3
Promotion and protection of all human rights, civil, political, economic, social and cultural rights, including the right to development

Report of the Special Rapporteur on extreme poverty and human rights

Note by the Secretariat

The Secretariat has the honour to transmit to the Human Rights Council the report of the Special Rapporteur on extreme poverty and human rights, Philip Alston, prepared pursuant to Council resolution 26/3. The Special Rapporteur notes that the fundamental values of the international human rights system are under attack in new and diverse ways in 2017. One widely shared explanation is the rapidly growing sense of economic insecurity afflicting large segments of many societies.

The Special Rapporteur suggests that the human rights community has had little to offer in response. Indeed, there is a risk that rather than seeking creative ways in which to address the problem of economic insecurity the human rights system will proceed in zombie mode. It will keep marching straight ahead on the path mapped out long ago, even as the lifeblood drains out of the enterprise.

The report is premised on the view that the human rights movement needs to address and respond to the fundamental changes that are taking place in economic and social structures at the national and global levels. In this setting, one of the most vibrant proposals is to replace or supplement existing social protection systems with a universal basic income ("basic income"). This proposal has recently drawn attention from governments, scholars, and practitioners in various fields. In its comprehensive and ideal form, a basic income is explicitly designed to challenge most of the key assumptions underpinning existing social security systems. Rather than payments being partial, they guarantee a floor; instead of being episodic, payments are regular; rather than being needs-based, they are paid as a flat rate to all; they come in cash, rather than as messy in-kind support; they accrue to every individual, rather than only to needy households; rather than requiring that various conditions be met, they are unconditional; rather than excluding the well off, they are universal; and instead of being based on lifetime contributions, they are funded primarily from taxation. And simplicity of design promises minimal bureaucracy and low administrative costs.

The principal purpose of the report is to reflect on the desirability of advocating a basic income approach to social protection when viewed from the perspective of international human rights law. Basic income offers a bold and imaginative solution to pressing problems that are about to become far more intractable as a result of the directions

GE.17-04619(E)

Please recycle

in which the global economy appears inexorably to be heading. While there are many objections, relating to affordability in particular, the concept should not be rejected out of hand on the grounds that it is utopian. In today's world of severe economic insecurity, creativity in social policy is necessary.

The report calls for acknowledgement of the fact that economic insecurity represents a fundamental threat to all human rights. It calls for the rights to work, social security, and an adequate standard of living to be accorded prominence on the human rights agenda. Linked to this is the need to acknowledge the central role of the State, of fair and progressive fiscal policies, and of redistributive justice. Most importantly, the debates over social protection floors and basic income need to be brought together. They have thus far been kept largely separate, in a counterproductive and ultimately self-defeating way.

Report of the Special Rapporteur on extreme poverty and human rights

Contents

		Page
I.	Introduction	4
II.	Introducing basic income	6
	A. Characteristics of a full basic income	6
	B. A brief history of the concept	7
	C. The twenty-first century resurgence	8
	D. Forms of basic income	10
III.	Similarities and differences with other schemes	11
	A. Negative income tax	11
	B. Global basic income	12
	C. The welfare state	12
	D. Cash transfers	13
	E. Social protection floors	14
IV.	Basic income and poverty	15
V.	Affordability	16
VI.	Conclusion	17

I. Introduction[1]

1. The present report is submitted in accordance with Human Rights Council resolution 26/3 and is the third report submitted to the Council by Philip Alston in his capacity as Special Rapporteur on extreme poverty and human rights.

2. The focus of the present report is on the idea of replacing or supplementing existing social protection systems with a universal basic income ("basic income").[2] In recent months, this proposal has drawn increased attention from governments, scholars, and practitioners in a range of different fields, and four major books on the subject have been published in rapid succession.[3] As a report of the Government of India concluded, if "thinkers on both the extreme left and right" have all become basic income supporters, then it is "a powerful idea" which must be discussed seriously, even if that report concludes that the time has not yet come for its implementation.[4] Before exploring the details of the concept and its relationship to human rights, consideration needs to be given to the context in which the proposal has attracted such attention.

3. The fundamental values of the international human rights system are under attack in new and diverse ways in 2017. While competing explanations have been proffered, one that is included in most lists is that there is a rapidly growing sense of economic insecurity afflicting large segments of many societies. There is an increasing feeling of being exposed, vulnerable, overwhelmed and helpless, and of being systematically marginalized, both economically and socially. This situation, which previously seemed to be a fate reserved only for those living in low-income countries or in extreme poverty in high- and middle-income countries, now afflicts not just the unemployed and the underemployed, but also the precariously employed and those likely to be rendered unemployed in the foreseeable future as a result of various developments. Many of these individuals previously enjoyed a modicum of security and respect and felt that they had a stake in the overall system of government. As the new insecurity has ballooned and affected ever-greater numbers, many mainstream political parties have either remained oblivious, or have offered solutions that have only exacerbated the problems, further undermining faith in electoral democracy.

4. The neoliberal policies encapsulated in the 1980s-era Washington Consensus can be seen, especially in retrospect, to have greatly exacerbated economic insecurity, whether or not that was the intent. The State was assumed to be intrinsically inefficient and corruption-prone, and this led to constant pressure to shrink all those parts of it that provided social and basic economic services to the populace, while vindicating and reinforcing the State in its role as the regulator facilitating and legitimizing the privatization of the economy. Social security and social protection was transformed, including through the explicit policies of the World Bank and the International Monetary Fund, into a minimalist notion of "social safety nets" designed to avoid the very worst outcomes and make the State look beneficent while empowering officials dedicated to devising ever more efficient "targeting" mechanisms and to rooting out overinclusion while playing down underinclusion. The objectives of promoting tax reform and prudent fiscal policies turned into a race to the bottom to set the lowest individual and corporate tax rates, attracting businesses through expensive exemptions, turning a blind eye to illegal or unconscionably evasive tax practices, and eliminating estate taxes and other measures that would bring about even minimal redistribution. Privatization was promoted even in relation to what were once seen

---

[1] The Special Rapporteur is grateful to Christiaan van Veen and Anna Bulman for their invaluable assistance in the preparation of the report.

[2] The concept is also known as citizen's income, basic income guarantee, and guaranteed annual income.

[3] Philippe van Parijs and Yannick Vanderborght, *Basic Income: A Radical Proposal for a Free Society and a Sane Economy* (Harvard University Press, 2017); Rutger Bregman, *Utopia for Realists: How We Can Build the Ideal World* (Bloomsbury Publishing, 2017); Thomas Straubhaar, *Radikal Gerecht* (Körber Stiftung, 2017); and Andy Stern, *Raising the Floor: How a Universal Basic Income Can Renew Our Economy and Rebuild the American Dream* (Public Affairs, 2016).

[4] Government of India, *Economic Survey 2016-2017* (2017), chap. 9, p. 195.

as basic State functions, such as prisons, education and security. In some States, even the justice system has been partly privatized, whether through onerous court fees for the poor or the channelling of consumer and other complaints into private arbitration.

5. For its part, the human rights community has had all too little to offer in response to the profound challenges associated with deep economic insecurity. The human rights to an adequate standard of living, to work and to social security have been very low on the list of priorities of the major human rights groups and of the principal international and regional human rights organizations, with the exception of the International Labour Organization (ILO). The reasons for this include long-standing arguments that economic issues belong on the agenda of economic rather than human rights bodies, a perception that human rights specialists are not qualified to engage with issues that are presented as technical matters of economic policy, a preference to avoid addressing issues involving redistribution of income or expenditure from a human rights perspective, and the assumption that if civil and political rights are protected, respect for economic and social rights will automatically follow.

6. A related problem in the context of the Human Rights Council is the "siloing" of issues, whereby food, health, education, water, and other rights concerns are dealt with in separate silos that stand side by side but are rarely integrated. The Council debates the reports of the individual special procedures mandate holders sequentially and each mandate holder focuses on one particular piece of a large jigsaw puzzle. But there is rarely an occasion to examine the overall picture.

7. There is a strong risk that when confronted with the challenge of addressing economic insecurity the human rights system will proceed in zombie mode. It will keep marching straight ahead on the path mapped out long ago, even as the lifeblood drains out of the enterprise. Its supervisory and monitoring organs will address themselves ever more insistently to State actors that have made themselves marginal, and they will continue to demand respect for standards that have long since been overtaken by the grim realities of global supply chains. For the most part, the human rights machinery is cumbersome, lacking in agility, and poorly placed to develop new thinking in such contexts. But it will need to do so if it is to remain relevant.

8. The present report is premised on the view that the human rights movement needs to address and respond to the fundamental changes that are taking place in economic and social structures at the national and global levels. These include, among others:

(a) The increasingly precarious nature of employment in the age of Uber, Airbnb, outsourcing, subcontracting, zero-hours contracts and the like;

(b) The fact that traditional forms of labour market regulation are becoming ever less relevant to the emerging economy, and that an insistence on their continuing normative validity, however strongly justified, is increasingly impotent in the face of the evolution of global supply chains and other developments based on worker insecurity;

(c) The likelihood that vast swathes of the existing workforce will be made redundant by increasing automation and robotization, accompanied by the ever-greater concentration of wealth in the hands of the technology elites and the owners of capital;

(d) The rapid and seemingly unstoppable growth in inequality across the globe, captured by Oxfam's statistic that the richest 1 per cent of humanity already controls as much wealth as the remaining 99 per cent,[5] and by the detailed national-level economic analyses of Thomas Piketty and others;[6]

(e) The ascent of a new neoliberal agenda, which involves further fetishization of low tax rates, demonization of the administrative State, deregulation as a matter of

[5] Oxfam, "An economy for the 99%", briefing paper, January 2017.

[6] Thomas Piketty, Emmanuel Saez and Gabriel Zucman, "Distributional national accounts: methods and estimates for the United States", National Bureau of Economic Research working paper series, Working Paper No. 22945 (2016).

principle, and the privatization of remaining State responsibilities in the social sector, risks leaving the State in no position to protect or promote social rights meaningfully.

II. Introducing basic income

A. Characteristics of a full basic income

9. In its comprehensive and ideal form, a basic income is explicitly designed to challenge most of the key assumptions underpinning existing social security systems. Rather than a system where there are partial payments, basic income guarantees a floor; instead of being episodic, payments are regular; rather than being needs-based, they are paid as a flat rate to all; they come in cash, rather than as messy in-kind support; they accrue to every individual, rather than only to needy households; rather than requiring that various conditions be met, they are unconditional; rather than excluding the well off, they are universal; and instead of being based on lifetime contributions, they are funded primarily from taxation. And simplicity of design promises minimal bureaucracy and low administrative costs.

Guaranteed floor

10. The income is "basic" in the sense that it is designed to guarantee a "floor" on which every recipient can stand.[7] Because people's needs are highly individualized and context-dependent, the amount that any specific individual requires will depend on factors such as local housing and living costs, the person's health status, and whether there is any form of support network in place. But in its pure form, basic income would generally be assumed to be a uniform amount, which does not reflect those differentials. There are, however, different versions of the concept that envisage adjusting the amount over time, providing less money for children and more for the elderly, or adjusting for geography.[8] The basis on which the floor is calculated and the amount to be paid will, of course, vary greatly from one country to another. Thus, while a national referendum on basic income in Switzerland proposed a payment of SwF 2,500 per month per adult, a South African initiative envisages a grant of US$15 per person per month, indexed to inflation.[9]

Regular payments

11. Under a basic income system, regular payments would be made to recipients, for example on a monthly basis. Predictability and continuity ensure that redistributive and poverty-reducing goals are met, whereas one-time only payments or lump sums do not ensure a consistent floor.

Cash

12. Basic income is intended as a cash grant; not as in-kind support such as food, vouchers or shelter. This means that individuals must have a means by which to receive the income, such as a bank account, or a cell phone capable of managing electronic payments. This might be problematic where neither banking infrastructure nor cell phone coverage are strong, and will also be difficult for groups such as the homeless, people fleeing domestic violence, and persons with psychosocial disabilities.[10]

---

[7] Van Parijs and Vanderborght, *Basic Income*, p. 9.

[8] Ibid., pp. 10 and 11.

[9] "Towards A SADC-wide basic income grant: where are we now". Available from http://spii.org.za/sadcbigcampaign/wp-content/uploads/2016/08/SADC-BIG-Newsletter-Issue-1-2016.pdf.

[10] See, for example, James P. Mulvale and Sid Frankel, "Next steps on the road to basic income in Canada", *Journal of Sociology and Social Welfare*, vol. 43, No. 3 (2016), pp. 27-50, citing on p. 41 Jurgen De Wispelaere and Lindsay Stirton, "The politics of unconditional basic income: bringing bureaucracy back in", *Political Studies*, vol. 61, No. 4 (2013), p. 915.

Individual

13. Whereas many aspects of existing social protection systems flow to the household, basic income would go directly to each individual. Some proposals do, however, diverge from this principle and envisage reduced payments which take account of the overall family or household situation.

Unconditional

14. The absence of conditionality is a key dimension for most basic income proponents. This means that no conditions, such as children's attendance at school or proof of job searches, must be met before the income is paid. People are thus not compelled to accept unpleasant or unattractive jobs. The latter would be filled either by machines, or by people attracted by a higher pay level.[11]

Universal

15. A full basic income is considered a universal entitlement that is automatically paid ex ante to all in a society, regardless of income, wealth, age and gender. It does not require means testing and is not restricted to specific categories of recipients. This idea is troubling to many, who question why the "haves" should receive as much as the "have nots". Common responses are that any form of means testing to determine eligibility requires a large and inefficient bureaucracy to evaluate claims, creates a burden on disadvantaged people to prove their financial need, stigmatizes the target group, and undermines the freedom to not work — as compared to means-tested welfare that is reduced as people work and earn more. One option for retaining universality but responding to this unfairness critique is a progressive taxation system that effectively takes back much of the basic income payment from high earners. Some challenge the viability of that approach in a world in which elite tax avoidance and evasion schemes are rife.[12]

16. The universality dimension is often assumed to apply only to citizens or those with a minimum period of legal residence in the country, although some schemes require only fiscal residence. These limits raise important questions in terms of migrant workers, undocumented workers and asylum seekers.

B. A brief history of the concept

17. Proposals for a form of basic income have been floated by thinkers for centuries.[13] Proponents of the idea trace its historical origins back to Sir Thomas More's *Utopia* (1516), Johannes Vives's *On Assistance to the Poor* (1526), and the works of the Marquis de Condorcet, Charles Fourier, Victor Considerant, John Stuart Mill, Bertrand Russell, George Cole, Herbert Simon, and various other political scientists, economists, and public intellectuals. Perhaps the most detailed and specific early set of plans for basic income and related social protection arrangements was put forward by Thomas Paine, a key figure in both the French and American revolutions, in *The Rights of Man* (1792) and Agrarian Justice (1797).

18. In the United Kingdom, basic income proposals were prominent in the period after both world wars. In 1918, Bertrand Russell called for an income for all, sufficient to pay for "necessaries" in post-First World War Britain.[14] And when the Beveridge plan was being

[11] See, for example, Van Parijs and Vanderborght, *Basic Income*, p. 22.

[12] Francine Mestrum, "Why basic income can never be a progressive solution", 14 April 2016. Available from https://www.socialeurope.eu/2016/04/basic-income-can-never-progressive-solution/.

[13] For summaries on the history of basic income, see Michael Tanner, "The pros and cons of a guaranteed national income (Cato Institute, 12 May 2015), p. 4; Van Parijs and Vanderborght, *Basic Income: A Radical Proposal for a Free Society and a Sane Economy*, chap. 4; and "History of basic income", available from http://basicincome.org/basic-income/history/.

[14] Bertrand Russell, *Roads to Freedom: Socialism, Anarchism and Syndicalism* (Unwin, 1918), p. 127.

debated in 1943, Juliet Rhys-Williams proposed a basic income approach instead of Beveridge's contributory welfare state plan.[15]

19. In the United States of America in the 1960s, Milton Friedman advocated a negative income tax, a concept that bears a close resemblance to a basic income.[16] In the late 1960s, Martin Luther King Jr. called for a guaranteed income as the solution to poverty. And by the end of that decade, Richard Nixon, the then President, came close to implementing a universal income supplement, but the scheme was defeated in the Senate by conservatives who thought the programme was too expensive and by liberals who thought the benefit was too low.

C. The twenty-first century resurgence

20. In recent years, there has been a strong resurgence in support for the idea of a basic income. Its advocates include philosophers, economists, politicians, Silicon Valley entrepreneurs, trade union leaders, futurists and others, and in addition to concerted promotional efforts by civil society groups, support has come from within governments in countries as diverse as Finland and India. Most strikingly, basic income proponents come from many different positions on the political spectrum, ranging from libertarians to socialists.

21. Scholars from different disciplines have played a key role in debating the merits of the concept and it is appropriate to undertake a brief review of their contributions. The most active proponent is a Belgian philosopher, Philippe van Parijs. In a highly influential paper in 1991 he focused on the fairness of making basic income unconditional, thus making it available even to those who opt to spend their life surfing waves.[17] Invoking the philosophy of John Rawls, he argued that "a defensible liberal theory of justice, that is, one that is truly committed to an equal concern for all and to non-discrimination among conceptions of the good life, does justify, under appropriate factual conditions, a substantial unconditional basic income".[18] Others have strongly contested this element in the case for a basic income.[19] In a recent book, Van Parijs and Vanderborght go beyond the philosophical dimensions to explore the concept's history, economic justifications and politics.[20]

22. While Van Parijs and Vanderborght write in the liberal-egalitarian tradition,[21] basic income also has strong support from libertarians. Matt Zwolinski argues that in order to justify the system of property rights, it is necessary, as John Locke wrote, to leave "enough, and as good, in common for others".[22] Thus, a State-financed social safety net might be necessary. For that purpose, a basic income scheme would be preferable to the welfare state because the latter incentivizes wasteful competition among interest groups and is costly and invasive.[23] He avoids addressing questions of the design and implementation of a basic income system but is supportive of the approach developed by another libertarian, Charles Murray.[24]

---

[15] Juliet Rhys-Williams, *Something to Look Forward To: A Suggestion for a New Social Contract* (Macdonald, 1943); and Sir William Beveridge, *Social Insurance and Allied Services*, HMSO Cmnd 6404 (1942).

[16] Discussed further in part III, section A, below.

[17] Philippe van Parijs, "Why surfers should be fed: the liberal case for an unconditional basic income", *Philosophy and Public Affairs* (spring 1991), p. 101.

[18] Ibid., p. 102.

[19] David Piachaud, "Citizen's income: rights and wrongs" (Centre for Analysis of Social Exclusion, London School of Economics, 2016).

[20] Van Parijs and Vanderborght, *Basic Income*.

[21] Ibid., p. 109.

[22] Matt Zwolinski, "Property rights, coercion, and the welfare state", *The Independent Review* (spring 2015), p. 519.

[23] Ibid., pp. 524-526.

[24] Ibid., p. 527.

23. Murray's principal book is entitled *In Our Hands: A Plan to Replace the Welfare State*.[25] He calls for a "guaranteed income" to replace the welfare state which he sees as degrading "the traditions of work, thrift and neighbourliness" while also spawning "social and economic problems that it is powerless to solve". He rails against the "new cultural consensus" produced by the welfare state, which considers that "the purpose of life is to while away the time between birth and death as pleasantly as possible, and the purpose of government is to make that process as easy as possible". He argues that a satisfying human life "requires being enmeshed in the stuff of life", and that by "stripping the institutions of family and community of many of their functions and responsibilities", the welfare state "drains too much of the life from life". Replacing the welfare state by a basic income would restore the community to its place as "the locus within which human needs must be met, and the effects could be profound".[26]

24. Further support for the theory comes from the Cato Institute, a libertarian think tank in Washington, D.C., which reviews the support given to basic income by free-market and libertarian thinkers such as Friedrich Hayek, Milton Friedman, Robert Nozick, Charles Murray and Matt Zwolinski. Its view is that while the idea may look good on paper, the "further one moves from theory to implementation, the more the theoretical advantages dissipate".[27] The main objection is affordability, since a universal basic income scheme "would cost far more than the current welfare system".[28]

25. Some authors on the left of the political spectrum have been enthusiastic supporters of basic income. Guy Standing, a labour economist, has popularized the notion of a "precariat", a very large segment of the population, whose lives are "dominated by insecurity, uncertainty, debt and humiliation. They are becoming denizens rather than citizens, losing cultural, civil, social, political and economic rights built up over generations". He argues that in an ever more unequal society, the precariat's relative deprivation is severe.[29] According to Standing, a basic income would allow people to move in and out of the labour market more easily and would "enable citizens to accept low wages and to bargain more strongly".[30] Standing has also been involved in important pilot projects in India.[31]

26. Philosophers on the left, such as Kathi Weeks, have defended basic income from an autonomist Marxist perspective, arguing that it "attempts to address ... the realities of post-Fordist work, to offer a measure of security in an economy of precariousness".[32] The philosopher Michael Howard supports basic income, claiming that it is not incompatible with Marxism or socialism and should be combined with strategies for full employment.[33] But others on the left have been critical. Alex Gourevitch argues that basic income is neither a necessary nor a sufficient condition for eliminating authoritarian work conditions, which he sees as the biggest challenge.[34]

27. Broader political support is suggested by former United States Secretary of Labor Robert Reich, who suggests that basic income could possibly be financed out of the profits coming from labour-replacing innovations, or perhaps even from a revenue stream

---

[25] See https://www.aei.org/scholar/charles-murray/.

[26] Charles Murray, "Guaranteed income as a replacement for the welfare state" (The Foundation for Law, Justice and Society), p. 7.

[27] Tanner, "The pros and cons of a guaranteed national income", p. 15.

[28] Ibid., p. 26.

[29] Guy Standing, *The Precariat: The New Dangerous Class* (Bloomsbury Academic, 2011), pp. 10 and 11.

[30] Ibid., p. 178.

[31] Sarath Davala, Renana Jhabvala, Soumya Kapoor Mehta and Guy Standing, *Basic Income: A Transformative Policy for India* (Bloomsbury Academic, 2015).

[32] Kathi Weeks, *The Problem with Work: Feminism, Marxism, Antiwork Politics, and Postwork Imaginaries* (Duke University Press, 2011), p. 150.

[33] Michael Howard, "Basic income, liberal neutrality, socialism, and work", *Review of Social Economy* (December 2005), p. 613.

[34] Alex Gourevitch, "The limits of a basic income: means and ends of workplace democracy", *Basic Income Studies*, vol. 11, No. 1 (2016), p. 17.

generated by the underlying intellectual property.[35] And a book by the former President of the Service Employees International Union, Andy Stern, also calls for a universal basic income to address a new economy characterized by high unemployment, stagnant wages, declining trade union power, and decreasing job security.[36]

28. Van Parijs and Vanderborght acknowledge, however, that while Green parties in Europe and the United States are generally supportive of basic income, the concept does not draw strong support from socialist, Christian Democrat or liberal parties.[37]

29. Perhaps the principal promoter of the concept has been the Basic Income Earth Network. This organization was founded in 1986 by researchers and trade unionists linked to the Catholic University of Louvain, in Belgium. It was originally the Basic Income European Network, but changed its name in 2004. It consists predominantly of scholars based in Europe and the United States.

30. Strong support has also come from technology entrepreneurs. According to media reports, the venture capitalist Marc Andreessen, the web guru Tim O'Reilly, and "a cadre of other Silicon Valley denizens have expressed support for" basic income, calling it the "social vaccine of the twenty-first century".[38] Sam Altman, the president of Y Combinator, the largest start-up "accelerator" in Silicon Valley, is funding a basic income pilot scheme in Oakland, California.[39] He believes that "people should be as free as possible to get 'as rich as they ... want', so long as the people at the very bottom still have all their basic needs met".[40] GiveDirectly, funded in part by Google, also seeks to finance basic income experiments in East Africa.[41] Comments made by many of these entrepreneurs suggest that basic income is seen as a way to sustain and legitimize a world in which employment opportunities will be drastically reduced and to reinforce consumer demand which would be greatly weakened without a broad-based minimum redistribution of income.

D. Forms of basic income

31. While the present report has thus far addressed a more or less generic approach to basic income, the reality is that there are a great many variations on the theme and that trying to distinguish them from one another, and then from other social protection schemes, is a major challenge. Following the analysis of David Piachaud, it is helpful to divide the various proposals into four different types:[42]

(a) A bonus basic income is akin to a royalty scheme in which resource-based dividends are distributed directly to citizens annually. Funding comes directly from an external source, such as mineral royalties. Thus, the Alaska Permanent Fund annually distributes dividends from investment earning on mineral royalties to people who have lived in Alaska for at least a year and intend to remain there indefinitely.[43] Some commentators consider this to be a poor example of basic income, because it is

[35] Robert Reich, "Why we'll need a universal basic income," 29 September 2016. Available from http://robertreich.org/post/151111696805.

[36] Stern, *Raising the Floor*.

[37] Van Parijs and Vanderborght, *Basic Income*, pp. 193-203.

[38] Jathan Sadowski, "Why Silicon Valley is embracing universal basic income," *The Guardian*. Available from https://www.theguardian.com/technology/2016/jun/22/silicon-valley-universal-basic-income-y-combinator.

[39] Julie Carrie Wong, "'Fund it, not run it': big tech's universal basic income project has its sceptics", *The Guardian*. Available from https://www.theguardian.com/us-news/2016/jun/20/y-combinator-oakland-universal-basic-income-pilot-project.

[40] Chris Weller, "The inside story of one man's mission to give Americans unconditional free money", *Business Insider*, 27 June 2016. Available from www.businessinsider.com/inside-y-combinators-basic-income-project-2016-6.

[41] "Launch a basic income" (GiveDirectly), available from www.givedirectly.org/basic-income.

[42] Piachaud, "Citizen's income: rights and wrongs", pp. 1-4.

[43] In 2016, the dividend was $1,022. Alaska Department of Revenue, Permanent Fund Dividend Division, Summary of Dividend Applications and Payments. See http://pfd.alaska.gov/Division-Info/Summary-of-Applications-and-Payments.

predistributive as opposed to redistributive, and involves a small sum and a fluctuating level of payment.[44]

(b) A partial basic income is limited, such as to a particular group of recipients. For example, the Netherlands and New Zealand both have universal basic pensions, under which all persons above a certain age receive an income without means testing.[45]

(c) A supplemental basic income involves the introduction of a modest basic income alongside the existing social security system. Some commentators do not distinguish between partial and supplemental income. A Finnish pilot project, for example, describes partial income as involving a level of benefit that is "substantially lower" and not aiming to replace other current transfers "to the same extent as in full basic income".[46]

Partial and supplemental basic income approaches can also overlap. The Finnish pilot provides €560 over a two-year period (2017-2018) to some 1,500 randomly selected individuals who are aged between 25 and 58 years and are already receiving a labour market subsidy or basic unemployment allowance.[47] The payment is automatic, unconditional and not means-tested. Consistent with Van Parijs's approach, the basic income payment substitutes only for existing benefits that are lower than it.[48] It can therefore be cumulated with existing earnings-related benefits and housing allowances.

Thus, the Finnish model is partial in the sense that it has been targeted at a specific recipient group on the basis of age and income, and it is supplemental in the sense that it does not completely replace the existing social security system. The preliminary report concluded that the deficiencies of the partial basic income are that it would not substantially change the current system or reduce bureaucracy, it would not solve incentive problems arising from a generous housing allowance, and it is a low amount, especially for single parents.[49]

(d) A full basic income involves the characteristics set out above in part II, section A — namely an income that is basic, individual, cash, regular, universal and unconditional. Nowhere in the world has such a scheme yet been implemented.

One was considered in Finland, at a level of €1,000 per month, but concern was expressed about "possible work disincentives, conflicts with earnings-related unemployment security, political controversies, high costs, regional differences in housing costs and possibly the lack of legitimacy", with the level "too high for some groups and too low for the others".[50]

III. Similarities and differences with other schemes

A. Negative income tax

32. Negative income taxes, inspired by the work of Milton Friedman, ensure that individuals who earn below a certain threshold receive payments from the government, rather than having to pay taxes. It is similar to basic income in that every citizen is automatically and unconditionally eligible, but it differs from the full basic income in that benefits phase out as incomes rise. Amounts may also be adjusted for households.

---

[44] Jurgen De Wispelaere, "Basic income in our time: improving political prospects through policy learning?", *Journal of Social Policy*, vol. 45, No. 4 (2016), pp. 622-626.

[45] Van Parijs and Vanderborght, *Basic Income*, pp. 159 and 160.

[46] "From idea to experiment: report on universal basic income experiment in Finland" (Kela, 2016), p. 24.

[47] "Objectives and implementation of the basic income experiment" (Kela, modified 13 January 2017), available from www.kela.fi/web/en/basic-income-objectives-and-implementation; and "Who can get a basic income?" (Kela, modified 28 December 2016), available from www.kela.fi/web/en/basic-income-who-can-get.

[48] Van Parijs and Vanderborght, *Basic Income*, p. 12.

[49] "From idea to experiment", p. 37.

[50] Ibid., p. 24.

B. Global basic income

33. The concept of a basic income on a global scale has attracted little scholarly attention, but at least two organizations, the Global Basic Income Foundation and World Basic Income, are promoting it.[51] According to the latter, a global basic income would be a "global scheme that gathers and redistributes money, in amounts ranging from a few dollars to over $2,000 per month, depending on circumstances".[52] The long-term goal is redistribution of wealth and natural resources through "collective shareholdings in global companies, international taxes such as a carbon tax or financial transaction tax, royalties on goods like intellectual property or the extraction of natural resources, or fees for the use of shared goods, such as charging airlines a fee for using our shared airspace".[53] The present report does not seek to examine the feasibility or otherwise of such an approach.

C. The welfare state

34. All developed societies have welfare states in one or other of the three principal forms. First, welfare for the poor in the form of non-contributory means-tested programmes. Second, social insurance, social rights and social services, which include a wide array of institutions from contributory pension and unemployment schemes to public education and health insurance. Third, and the least familiar, is the role of the government in the economy, through regulatory, fiscal, monetary and labour-market policies and "in shaping markets, promoting growth, providing employment, and ensuring the welfare of firms and families". While some see these three conceptions as competing, David Garland argues that none "of these three sectors can exist in that form without the others as structural supports".[54]

35. In comparing basic income schemes with the welfare state, it is important to note that some of the proposed forms of basic income are intended to replace the welfare state, while others complement it or only partly replace it. Charles Murray proposes a radical form of basic income designed to replace the welfare state,[55] and to eliminate "programmes that are unambiguously transfers — Social Security, Medicare, Medicaid, welfare programmes, social service programmes, agricultural subsidies, and corporate welfare", but that would keep in place State-funded education.[56] But others have argued that "a basic income should not be understood as being, by definition, a full substitute for all existing transfers, much less a substitute for the public funding of quality education, quality health care, and other services".[57] This approach is supported by commentators for whom basic income schemes "would not necessarily replace contributory benefits".[58] A Canadian study proposes that a new basic income should come on top of 33 existing income support programmes.[59]

36. Most of its proponents do not envision basic income directly replacing the third conception of the welfare state, namely the role of the government in the economy. As far as the second conception is concerned, many proponents appear to leave public education and social services mostly untouched. Even Murray would leave State-funded education and child protection services in place, although individuals would have to fund their own

---

[51] See www.globalincome.org/English/English.html and http://worldbasicincome.weebly.com/.

[52] "The basics", available from http://worldbasicincome.weebly.com/the-basics.html.

[53] "How we could fund a world basic income", available from http://worldbasicincome.weebly.com/finding-the-money.html.

[54] David Garland, *The Welfare State: A Very Short Introduction* (Oxford University Press, 2016), p. 9.

[55] Charles Murray, "A guaranteed income for every American", *Wall Street Journal*, 3 June 2016.

[56] Murray, "Guaranteed income as a replacement for the welfare state", p. 4.

[57] Van Parijs and Vanderborght, *Basic Income*, p. 12.

[58] J.A. Noguera, "Basic income and contributory pensions", in Karl Widerquist and others, eds., *Basic Income: An Anthology of Contemporary Research* (Wiley and Sons, 2013), p. 347.

[59] David Macdonald, "A policymaker's guide to basic income" (Canadian Centre for Policy Alternatives, 2016), p. 8.

health insurance.[60] But most basic income proposals appear to want to replace, in whole or in part, either the existing contributory social insurance schemes, or the non-contributory social assistance measures for the poorer groups in society, or both.

37. As for similarities, some existing non-contributory programmes in developed countries are already close to the concept of basic income. Many European countries, for example, have universal child-benefit systems that transfer cash to parents with few, if any, conditions attached and that are paid from public funds to all parents with children of a certain age, even if benefit levels might vary according to the number of children or the income of the parents.[61] The main difference between basic income and such programmes appears to be that the latter restrict payments to specific groups such as children or the elderly.

38. However, many social insurance and social assistance programmes that are integral parts of the welfare state differ in crucial respects from basic income. A study of 108 countries where child benefit or family benefit schemes were anchored in national legislation found that only 49 of them had non-contributory schemes.[62] And contributory schemes generally only cover those in formal employment. They are therefore not universal, and often impose conditions, such as actively searching for work or undergoing medical tests. Moreover, they often go well beyond a floor, by compensating in part or in full for lost earnings.[63]

D. Cash transfers

39. The past two decades have seen a dramatic increase in cash transfer programmes in low- and middle-income countries, including conditional cash transfers and unconditional cash transfers.[64] The World Bank, which strongly supports conditional cash transfers, defines them as "periodic monetary benefits to poor households that require beneficiaries to comply with specific behavioural requirements to encourage investments in human capital (such as school attendance, immunization, and health check-ups)".[65] Unconditional cash transfers have no such strings attached. The largest conditional cash transfer in the world is *Bolsa Família* in Brazil, with more than 70 million beneficiaries, while the largest unconditional cash transfer is *Dibao* in China, with about 75 million beneficiaries.[66] Conditional cash transfers have long been considered a hallmark of Latin American countries. While African countries have focused more on unconditional cash transfers, conditional cash transfers have expanded in Africa in recent years, albeit with relatively "soft" conditions attached.[67]

40. To understand the differences and similarities between cash transfers and basic income, it is helpful to look at the experience in particular countries. Mexico had one of the first conditional cash transfer programmes, *PROGRESA*, which was introduced in 1997. It was greatly expanded over time and was renamed *Oportunidades*. It is aimed at combating intergenerational poverty and is targeted only at poor households. The conditions are that children do not miss more than three days of school per month and that household members attend a medical clinic once a month. Mexico also has unconditional cash transfers, such as the *Pensión Ciudadana Universal* in Mexico City, a monthly electronic transfer to senior citizens of at least half the minimum wage, with no conditionality other than age and

[60] Murray, "Guaranteed income as a replacement for the welfare state", p. 4.
[61] Van Parijs and Vanderborght, *Basic Income*, pp. 158 and 159.
[62] International Labour Office, *World Social Protection Report 2014/15* (2014), p. 16.
[63] Noguera, "Basic income and contributory pensions", p. 347.
[64] World Bank Group, *The State of Social Safety Nets 2015* (Washington, D.C., 2015), pp. 1 and 8.
[65] Ibid.
[66] Ibid., p. 10.
[67] Ibid, p. 9.

residency, and *Setenta y Más*, another unconditional cash transfer for people over 70 years of age who reside in smaller localities.[69]

41. Another famous example is the *Bolsa Família* in Brazil — Latin America's largest conditional cash transfer programme — which was introduced in 2004, building on earlier, smaller, cash transfer programmes. Indigent and poor families wanting to receive the cash benefit are required to visit health clinics regularly and/or to meet minimum school attendance requirements. Brazil also has unconditional cash transfer programmes, such as the *Benefício de Prestação Continuada*, which is disbursed to the elderly and to individuals with disabilities living in low-income households. The *Bolsa Família* was enacted the day after another law that established a citizen's income for every Brazilian citizen or foreigner residing in the country for more than five years, regardless of their socioeconomic condition. But the latter law was never implemented and is often confused by the public with other existing minimum income programmes.[69]

42. Many African countries have unconditional cash transfers in the form of "social pensions" provided to all citizens above a certain age, without prior conditions.[70] A newer phenomenon is the introduction of universal unconditional cash transfers in the context of subsidy reform. In 2010, the Islamic Republic of Iran introduced a "cash subsidy" of around $45 per month payable to all Iranians living in the country, to compensate for subsidy reductions on gasoline, gas, water and electricity.[71] Similarly, Saudi Arabia is currently introducing a "household allowance" — a cash transfer to the poor and the middle classes (decreasing with income) to compensate for planned subsidy reforms.[72]

43. Unconditional cash transfers, although without strings attached, differ from basic income schemes in several respects. First, they are generally paid to households[73] and may vary accordingly. Second, unconditional cash transfers often target the poor or other categories such as children or the elderly. Third, the amount of the unconditional cash transfers often differs, depending on the recipient's situation.

44. While Van Parijs and Vanderborght claim that such programmes are "still a long way from an unconditional basic income",[74] others have argued that experience with these cash transfer schemes "gives empirical support to arguments in favour of a universal unconditional basic income",[75] and that they offer guidance for the optimal design of basic income schemes in high-income countries.[76] Still, whether these existing cash transfer programmes are a stepping stone to full basic income schemes remains uncertain. Lavinas has argued that the *Bolsa Família* is the "antithesis" of a citizen's income and "cannot be seen as a starting point toward a universal and unconditional income".[77]

E. Social protection floors

45. Internationally, social protection floors have been promoted in the context of the Social Protection Floor Initiative, launched in 2009.[78] This initiative culminated in the 2011

---

[69] Pablo Yanes, "Targeting and conditionalities in Mexico: the end of a cash transfer model?", in R.L. Vuolo, ed., *Citizen's Income and Welfare Regimes in Latin America* (Palgrave Macmillan, 2013), pp. 67-85.

[69] Lena Lavinas, "Brazil: the lost road to citizen's income", in R.L. Vuolo, ed., *Citizen's Income and Welfare Regimes in Latin America* (Palgrave Macmillan, 2013), pp. 34-42.

[70] Guy Standing, "How cash transfers promote the case for basic income", *Basic Income Studies* (April 2008), p. 19.

[71] Hamid Tabatabai, "Iran: a bumpy road toward basic income", in R.K. Caputo, ed., *Basic Income Guarantee and Politics* (Palgrave Macmillan, 2012), p. 285.

[72] "Blow of higher utility bills softened for low-income Saudis", *Arab News*, 24 December 2016.

[73] Tabatabai, "Iran: a bumpy road", pp. 293 and 294.

[74] Van Parijs and Vanderborght, *Basic Income*, p. 69.

[75] Standing, "How cash transfers promote the case for basic income", p. 2.

[76] Evelyn L. Forget, Alexander D. Peden and Stephenson B. Strobel, "Cash transfers, basic income and community-building", *Social Inclusion*, vol. 1, No. 2 (2013), p. 90.

[77] Lena Lavinas, "Brazil: the lost road to citizen's income", p. 44.

[78] See A/69/297.

report by the Social Protection Floor Advisory Group (the "Bachelet report") and in the Social Protection Floors Recommendation, 2012 (No. 202). And Sustainable Development Goal 1 advocates "appropriate social protection systems and measures for all, including floors".

46. Under the Social Protection Floors Recommendation, 2012 (No. 202), States should establish and maintain social protection floors ensuring that, at a minimum, "over the life cycle, all in need have access to essential health care and to basic income security which together secure effective access to goods and services defined as necessary at the national level". This comprises essential health care, including maternity care, and basic income security for children, for active-age adults in cases of sickness, unemployment, maternity and disability, and for older persons. These goals may be achieved through any of the following schemes: universal benefit, social insurance, social assistance, negative income tax, public employment and employment support.

47. Basic income is thus not at odds with social protection floors, with universality being a key assumption of both. While basic income proponents have suggested that the reference to "basic income security" in recommendation No. 202 is a much broader concept than their idea of basic income, they see social protection floors as a "significant step toward basic income by legitimizing the idea of basic income security as an essential ingredient for human development".[77]

IV. Basic income and poverty

48. A basic income could have vastly different effects, depending on the starting point. In wealthier countries with more established social welfare systems, there is a greater risk that replacing existing social support schemes would leave the poor worse off. But in a country with only a minimal social support scheme in place, any regular, unconditional transfers to the poor and marginalized would be a net positive in the absence of more attractive alternative schemes such as a social protection floor. Despite the importance of the current debate in India and the pilot projects in Kenya, most of the policy debate has focused on developed countries and their specific needs and perspectives. If the concept is to achieve broader uptake, the debate needs to be expanded and diversified.

49. Between 1974 and 1979, a negative income tax experiment ran in the Canadian city of Dauphin. Subsequent analysis of the data confirmed various positive effects, including a drop in hospitalization rates, especially for mental health and accident admissions, as well as an increase in year 12 school registrations.[78]

50. In Canada, two basic income approaches have been the subject of macroeconomic modelling: a full basic income for all Canadians, and a negative income tax under which the richest receive nothing and the poorest receive the maximum income supplement.[81] Neither payment is adjusted for age. In terms of poverty, the conclusion was that:[82]

> Cancelling existing income transfer programmes in favour of a single basic income results either in dramatically higher levels of poverty, or ethically and politically unsupportable compromises where seniors are pushed into poverty to lift up adults and children. The more acceptable and feasible approach would be to set up a new basic income on top of the 33 transfers that already exist, thus creating only winners, though the main beneficiaries would be middle-aged Canadians.

51. However, the negative income tax option would be problematic for 18- to 29-year-olds and for senior women. The Canadian examples demonstrate the potentially positive

---

[77] Ian Orton, "Opinion: The UN Social Protection Floor 'Global Fund' - An entry point for the basic income?", 3 June 2013. Available from http://basicincome.org/news/2013/06/opinion-the-un-social-protection-floor-global-fund-an-entry-point-for-the-basic-income/

[78] Evelyn L. Forget, "The town with no poverty: using health administration data to revisit outcomes of a Canadian Guaranteed Annual Income field experiment" (University of Manitoba, February 2011).

[81] Macdonald, "A policymaker's guide to basic income", p. 6.

[82] Ibid., p. 8.

effects of negative income tax, but warn that a basic income model that *replaces* existing social support mechanisms could have seriously negative effects on the poor.

V. Affordability

52. Basic income proponents have devoted relatively little attention to the biggest question of all, which concerns affordability.[83]

53. The "floor" proposed by Van Parijs and Vanderborght is not "sufficient to cover what would be regarded as basic needs". Although clearly reluctant to put a figure on their proposal, they suggest an amount of 25 per cent of current gross domestic product (GDP) per capita, which is "modest enough [to be] sustainable and generous enough for it to be plausible that it will make a big difference". They calculate that this would have amounted in 2015 to $1,163 per month in the United States, $1,670 in Switzerland and $9.50 in the Democratic Republic of the Congo. They do not claim that this level is high enough to get every household out of poverty, although the United States figure would be higher than the official poverty line. They also emphasize that if individuals currently receive benefits higher than the basic income, it "must be topped up by conditional supplements" so that the total disposable incomes of poor households are not lowered vis-à-vis their current levels.[84]

54. But how would these expenditures be paid for? Piachaud notes that a full basic income that "replaces social security is far more costly than social security, and this has to be paid for from higher taxes on all incomes with far-reaching economic consequences".[85]

55. *The Economist*, relying upon the Organization for Economic Cooperation and Development's "universal basic income calculator", concludes that the United States could pay every citizen $6,300 per year if it scrapped all its non-health transfer payments.[86] In other words, if it paid its citizens 25 per cent of GDP per capita ($13,956 per year) as Van Parijs and Vanderborght propose, it would need to raise taxes to cover the difference between $13,956 and $6,300. The Cato Institute calculated that paying 296 million United States citizens the poverty-line amount of $12,316 per year would cost $4.4 trillion. Even if all federal and state social assistance spending for the poor (around $1 trillion) and all "middle-class social welfare programmes such as Social Security and Medicare" (depending on the calculations, costing between $2.13 and $2.5 trillion) were eliminated, there would still be a funding gap of roughly $1 trillion.[87]

56. Cost calculations for Canada are also revealing. If existing Canadian "de facto" basic income programmes (such as Canada Child Benefit for children, the Guaranteed Income Supplement for the elderly and sales tax credits for working adults), quasi-basic income programmes, earned income tax credits, social assistance and employment insurance were all cancelled, the savings could support a basic income for all Canadians (depending on which programmes were scrapped) of between Can$ 2,655 and Can$ 3,565 per year, with between roughly 1.7 and 1.9 million Canadians falling below the poverty line. Under a scenario in which all existing programmes were kept in place and a supplemental universal basic income was paid to all Canadians of Can$ 1,000 per year, 719,000 Canadians would be taken out of poverty, but at a net cost of Can$ 29.2 billion (equalling Can$ 40,886 per person). To pay for this, the Canadian rate of value added tax would have to be increased from 5 per cent to 9 per cent or income taxes would have to be increased by 20 per cent.[88]

---

[83] See Jennifer Mays and Greg Marston, "Reimagining equity and egalitarianism: the basic income debate in Australia", *Journal of Sociology and Social Welfare*, vol. 43, No. 3 (September 2016), p. 17; Aaron Major, "Affording Utopia: the economic viability of 'a capitalist road to communism'", *Basic Income Studies*, vol. 11, No. 2 (2016), p. 75; "Sighing for paradise to come", *The Economist*, 4 June 2016; and "The case for free money", *The New Yorker*, 20 June 2016.

[84] Van Parijs and Vanderborght, *Basic Income*, pp. 10-12.

[85] Piachaud, "Citizen's income: rights and wrongs".

[86] "Universal basic income in the OECD", *The Economist*, 3 June 2016.

[87] Tanner, p. 15.

[88] Macdonald, "A policymaker's guide to basic income", pp. 19-21.

57. Finally, a simulation for the region of Catalonia, in Spain, suggests that a basic annual income of €7,968 for those aged over 18 and of €1,594 for minors would require a 49.57 per cent flat tax rate and extra financing of €7 billion.[89]

58. Van Parijs and Vanderborght admit that a universal basic income at 25 per cent of GDP per capita would result in "far higher rates of taxation because of the need to keep funding other public expenditures". They then proceed to point to some (relatively small-scale) basic income experiments, negative income tax experiments and econometric models, none of which provides a clear answer on affordability. After discussing alternative financing models, such as taxes on capital, nature, money and consumption, they conclude that "none of these alternative sources offers a panacea, or any robust assurance that a generous basic income is economically sustainable, or any reason to believe that, in the short run at any rate, we can dispense with the income tax".[90] That leads them to explore alternatives to their core idea of a universal basic income — including a categorical basic income, a household basic income and tax surcharge, and their preferred alternative, a partial basic income: "one that makes no claim to being sufficient to live on if one lives alone".[91]

VI. Conclusion

59. **The most committed proponents of basic income proclaim their approach to be utopian,[92] not in the sense of being unrealistic or unachievable, but as providing a highly ambitious, sweeping, and progressive vision. Critics or sceptics who raise objections based on unaffordability, the unacceptability of unconditionality or the unrealistic change in mentality required will often be dismissed as unimaginative defenders of an obviously unsatisfactory status quo.**[93]

60. **But these contrasting views accurately reflect the conclusion that emerges from a comprehensive survey of the many different utopias the world has known, which is that "utopias are essential but potentially dangerous".[94] In this case, the danger is that the single-minded pursuit of basic income as a magic bullet, capable of resolving many deeply troubling challenges, will distract attention from the deeper underlying complexities and values. But the utopian vision may also provide the much-needed impetus to rethink the optimal shape of social protection explicitly designed to achieve universal realization of the human right to an adequate standard of living in the twenty-first century. At a comparable watershed moment, Lord Beveridge introduced his 1943 report that laid the groundwork for the British welfare state by insisting that a "revolutionary moment in the world's history is a time for revolutions, not for patching".[95]**

61. **Thus, the basic income concept should not be rejected out of hand on the grounds that it is utopian. Policymakers at the national and international levels need to develop the sort of creativity in social policy that is capable of matching and responding to the technological innovations and other developments that have brought us to this crossroads. Despite the magnitude of the challenge and the breathtaking scope of the proposed solution, there is an option, which Van Parijs seems to have subtly embraced, to move in an incremental fashion towards the overall**

[89] Jordi Arcarons, Daniel Raventos Pañella and Lluis Torrens Mélich, "Feasibility of financing a basic income", *Basic Income Studies*, vol. 9, No. 1-2 (2014), pp. 79-93.

[90] Van Parijs and Vanderborght, *Basic Income*, p. 137.

[91] Ibid., p. 165.

[92] Ibid., pp. 245-247; and Bregman, *Utopia for Realists*.

[93] For an excellent overview of the practical and principled objections, see Piachaud, "Citizen's income: rights and wrongs".

[94] Lyman Tower Sargent, *Utopianism: A Very Short Introduction* (Oxford University Press, 2010), p. 127.

[95] Beveridge report, para. 7.

goal. As Anthony Atkinson has observed, inspired by Amartya Sen's work, "the aim is progressive reform rather than transcendental optimality".[96]

62. The most prominent path chosen to date has focused on respect for labour rights.[97] But significant questions arise as to whether the tools used to tackle economic insecurity in that context have been, or are likely to be, effective in responding to the emerging conditions in the global labour market. For example, in its general comment No. 18 (2005) on the right to work, the Committee on Economic, Social and Cultural Rights calls on States "to reduce to the fullest extent possible the number of workers outside the formal economy", "to ensure that privatization measures do not undermine workers' rights", and to ensure that enhanced labour market flexibility does "not render work less stable or reduce the social protection of the worker". All of these important objectives are grounded in human rights law, but the question is how best to respond to the reality that the trends in most industries seem to be heading rapidly in the opposite direction.

63. Similarly, an ILO report entitled *Decent Work in Global Supply Chains* responded to the "negative implications for working conditions" of "the dynamics of production and employment relations within the global economy" by proposing a series of steps such as promoting international labour standards, closing governance gaps and promoting inclusive and effective social dialogue.[98] Unsurprisingly, after lengthy debate on the report, the 2016 International Labour Conference expressed its "concern that current ILO standards may not be fit for purpose to achieve decent work in global supply chains".[99]

64. It does not follow from the gap between theory and practice that labour rights should be compromised, let alone abandoned, but it does highlight the fact that traditional approaches might not have much traction in the face of the systematic weakening of labour market institutions, the dramatic increase in more flexible working conditions, and the greatly increased insecurity, including the loss of non-wage benefits, for those who remain employed.[100]

65. This is where the basic income debate comes in. A focus on social protection more broadly defined might be a more propitious entry point to tackle these issues. Governments remain centrally responsible for ensuring appropriate levels of social protection within their borders, they have a self-interest in promoting stability and economic security, and they control the resources needed.

66. One of the biggest challenges in relation to basic income is to move beyond its chameleon-like character. There are many versions of it, and each is supported by a diverse array of actors, precisely because they see different attractions in the concept. To assess the utility and acceptability of basic income from a human rights perspective, it is helpful to identify the main categories of motivation.

(a) Discouraging laziness and incentivizing work;

(b) Efficiency, in terms of avoiding welfare fraud, duplicative programmes, double-dipping, and bloated bureaucracies. As one commentator rejoiced: "we get to fire a couple of million bureaucrats";[101]

(c) Adaptation to technological advances, both in terms of compensating for vast numbers of jobs lost in an age of automation and robotization and to ensure some

---

[96] Anthony B. Atkinson, *Inequality: What Can Be Done?* (Harvard University Press, 2015), p. 236; and Amartya Sen, *The Idea of Justice* (Harvard University Press, 2009).

[97] For an important analysis of the challenges to labour rights in the context of economic reform and austerity measures, see A/HRC/34/57.

[98] "Decent work in global supply chains", report IV, International Labour Conference, 105th session (2016).

[99] Resolution concerning decent work in global supply chains, adopted on 10 June 2016, para. 25.

[100] Tim Vlandas and Daphne Halikiopoulou, "Why far-right parties do well at times of crisis: the role of labour market institutions", European Trade Union Institute working paper 2016.07, p. 5.

[101] Tim Worstall, "Krugman's argument in favour of a universal basic income", *Forbes*, 5 May 2015.

basic redistribution of wealth in an era characterized by exponential growth in the wealth of technology entrepreneurs;

(d) The right to work, either in the sense of promoting full employment for the community or of the individual being able to choose satisfying work;

(e) Freedom, in the sense of the ability to make career and related choices, or the ability to exercise political rights because of a degree of economic security;

(f) Fairness and social justice.

67. All of these motivations are persuasive on their own terms, but unless they are integrally linked to the last category the likelihood is that what will emerge will be another strategy designed to promote productivity and efficiency, but without concern for the far more fundamental goals.

68. How then should human rights actors and institutions respond to the crisis of economic insecurity and the phenomena associated with it? And where might a campaign to achieve a basic income fit into the overall equation?

69. The starting point is to acknowledge that economic insecurity represents a fundamental threat to human rights. It is not only a threat to the enjoyment of economic and social rights, even though they are a principal concern. Extreme inequality, rapidly increasing insecurity, and the domination of politics by economic elites in many countries, all threaten to undermine support for, and ultimately the viability of, the democratic systems of governance upon which the human rights framework depends.[102]

70. Second, the right to work, the right to social security, and above all the right to an adequate standard of living need to be given a prominent place on the human rights community's agenda. If these rights are marginalized, the overall agenda will become increasingly less relevant to the most pressing and urgent questions of the day.

71. Third, contrary to the orthodoxy promoted by economic institutions and corporate actors in recent years, there needs to be a resurgence of support for the central role of the State, and recognition of the importance of fair and progressive fiscal policies, and of the indispensability of policies to ensure redistributive justice.

72. Fourth, the implications for gender equality from growing economic insecurity are almost unremittingly negative. It remains true that "the average woman's career remains shorter, more disrupted and less remunerative than the average man's",[103] **and the consequences flow through into social security and related arrangements. Proponents of women's human rights need to become more involved in debates over social protection and basic income.**

73. Fifth, proponents of a basic income need to ensure that particular schemes to implement the concept are not narrowly linked to citizenship at the expense of all others who are part of the community.

74. Sixth, and most important, the debates over social protection floors and basic income need to be brought together. They have thus far been kept largely separate, in a counterproductive and ultimately self-defeating way. It is true that there are points of divergence between the two concepts, but they have vastly more potential if their synergies are recognized, rather than being ignored. Among the differences are the following: (a) the social protection floor mostly draws on experience in developing countries,[104] **while basic income advocates tend to emphasize developed countries; (b) social protection floors aim to guarantee both income security and access to essential**

---

[102] Ganesh Sitaraman, *The Crisis of the Middle-Class Constitution: Why Economic Inequality Threatens Our Republic* (Knopf, 2017).

[103] Anne L. Alstott, "Good for women: a response to 'A basic income for all' by Philippe van Parijs", *Boston Review* (2000). Available from http://bostonreview.net/archives/BR25.5/alstott.html.

[104] International Labour Office, *Social Protection Floor for a Fair and Inclusive Globalization: Report of the Social Protection Floor Advisory Group* (2011), p. xxii.

social services, while basic income schemes only guarantee income; (c) the concept of basic income security is broader than basic income cash transfers, since it also includes in-kind transfers; (d) social protection floors focus not only on achieving social guarantees for all, but also on gradually implementing higher standards; (e) social protection floors are not viewed as alternatives to social insurance institutions,[105] while some basic income proponents aim to replace existing social insurance institutions; and (f) the Social Protection Floors Recommendation, 2012 (No. 202) is premised upon human rights, unlike most basic income schemes. But the proponents of the two approaches have an immense amount in common, and if it is recognized that basic income is not an idea that can be achieved in a single leap, there could be no better and more elaborate and widely supported programme than that for the social protection floor.

[105] Ibid., p. xxviii.